



## [Small Business Development Loan Program](#)

Are you a native-born Virgin Islander, or a five (5) year resident of the Virgin Islands if one of your parents is a native-born Virgin Islander, or a ten (10) year resident of the Virgin Islands? Are you active in the management of your business full-time? Is your business is your principal means of support? This program may be for you.

SBDA loans provide financing for general business purposes and may be :

- A direct loan by EDA – initiated and funded solely by EDA: or
- A guaranteed loan (deferred participation) by which EDA guarantees a portion of a loan made by a lender – initiated by a Lender agreeing to make an EDA guaranteed loan to a small business and applying to EDA for its guarantee. If EDA agrees to guarantee a portion of the loan, the Lender funds and services the loan. If the small business defaults on the loan, EDA's guarantee requires EDA to purchase its portion of the outstanding balance, upon demand by the Lender and subject to specific conditions.

The Development Loan Program offers secured loans from \$10,000 to \$500,000.

- Maximum loan term: up to 10 years at the board's discretion to be determined by use and size of the loan
- Interest rate is based on the *Wall Street Journal* Prime plus one and one-half percent (1.50%)
- Loan is secured by collateral

**Lending Limit:** \$100,000

**Interest Rate:** Wall Street Journal Prime + 1.5% (fixed at closing)

**Requirements:**

- Application fee of \$150.00
- A commitment fee of one percent (1%) based on the loan amount upon approval
- Borrowers must provide proof that they are a person born in the U.S. Virgin Islands; or a U.S. citizen or legal permanent resident and a resident of the U.S. Virgin Islands for at least five (5) years immediately preceding the application for a loan
- Current U.S. Virgin Islands business license for the business which is the basis of the loan
- Proof that the borrower is a principal owner of the business with at least fifty-one (51%) percent ownership
- Current Virgin Islands tax clearance letter
- A denial letter from a local commercial bank is required and must include the date, loan amount, purpose of loan and reason for denial.

**Application Process:**

[Apply Now](#)



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**Division:** [Economic Development Bank](#)

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